

THE UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION

PEVETO COMPANIES, LTD.

v.

BRAKES PLUS, INC.

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CIVIL ACTION NO. 5:12-cv-01156

COMPLAINT FOR DECLARATORY JUDGMENT

TO THE HONORABLE JUDGE OF SAID COURT:

Peveto Companies, Ltd., as Plaintiff, files this action against Brakes Plus, Inc., as Defendant, seeking a declaratory judgment under the Declaratory Judgment Act, 28 U.S.C. §§2201 and 2202 as follows:

PARTIES

1. Plaintiff Peveto Companies, Ltd. (“Peveto Companies”) is a Texas business organization with its principal place of business located in San Antonio, Texas.
2. Defendant Brakes Plus, Inc. (“Brakes Plus”), based upon information and belief, is a Colorado corporation with its principal place of business located at 6911 South Yosemite Street, Englewood, Colorado 80112. Brakes Plus will be served with this complaint, or a copy of this complaint and a waiver of service, by and through its registered agent of service P. Pisciotta, 6911 South Yosemite Street, Englewood, Colorado 80112.

JURISDICTION AND VENUE

3. This Court has subject matter jurisdiction over this federal claim pursuant to 15 U.S.C. §1121 and 28 U.S.C. §§1331 and 1338 in that this matter raises federal questions arising out of, and under, the Lanham Act, 15 U.S.C. §1051 *et seq.*

4. This Court has personal jurisdiction over Brakes Plus, at least for the reason that Brakes Plus has, purposely availed itself in and to the State of Texas. Specifically, Brakes Plus operates numerous brake repair facilities in the State of Texas, sells its products in the State of Texas, and sells its services in the State of Texas. Finally, Brakes Plus sent Peveto Companies a November 21, 2012 letter and this proceeding arises out of the subject matter made the basis of that correspondence.

5. Venue is proper in this district pursuant to 28 U.S.C. §1391(b) and (c) since a substantial part of the events giving rise to Peveto Companies claim occurred in this district and because Brakes Plus is subject to personal jurisdiction in this district.

FACTUAL BACKGROUND

Peveto Companies' Trademarks and Service Marks.

6. As early as October 15, 1973, Peveto Companies' assignor used the trade name "Brake Check" and a service mark design bearing white lettering on a red background containing white check marks with a red and yellow circular background. The Peveto Companies' business conducted by Peveto Companies and its assignor using this service mark included installation and servicing of brakes, brake linings and other brake parts on automobiles and trucks included in incidental installation and servicing of mufflers, shocks and wheel alignments.

7. Thereafter Peveto Companies assignor filed with the Texas Secretary of State an application to register the Brake Check Trademark as a protected trademark in Texas. Peveto Companies' assignor received a Certificate of Trademark Registration for the Brake Check Trademark on October 14, 1975. Hereinafter that registered design, trademarked name and service mark shall be referred to as the "Brake Check Trademark."

8. Thereafter and on or about January 17, 2002, Peveto Companies assignor assigned to Peveto Companies the Brake Check Trademark. The original Brake Check Trademark registration number received from the Texas Secretary of State was 32301, but as of 2002, that registration number has been changed to 3230117. Peveto Companies has continuously used the Brake Check Trademark in connection with its vehicle repair and maintenance business since October 14, 1975 and has never allowed its trademark registration to lapse since receiving the same from the Texas Secretary of State.

9. On or about June 18, 2010, Peveto Companies first use in commerce the Brake Check Trademark with the added word “Plus” under the same. Then on or about July 22, 2010, Peveto Companies filed in the United States Patent and Trademark Office (“USPTO”) a Service Mark Application under Serial No. 85090813. Peveto Companies sought a Service Mark that included the word “Plus” under the Brake Check Trademark. The Service Mark sought by Peveto Companies consisted of the words “Brake Check Plus” being used in connection with the design of two polygons and two circles with checks inside and it was identical to the Brake Check Trademark except for the addition of the word “Plus.”. On or about June 7, 2011, Peveto Companies obtained a registration from the USPTO for its use of the Service Mark “Brake Check Plus” by way of Registration No. 3,973,171 (hereinafter the “Brake Check Plus Service Mark”).

10. In addition to the registered trademarks and service marks discussed above, Peveto Companies has others protecting its Brake Check Trademark. Attached hereto as Exhibit “A” and incorporated herein by reference as if fully set forth at length is a copy of the same.

The Brake Plus' Service Mark.

11. On or about October 12, 1993, Brake Plus obtained a registration from the USPTO for use of the Service Mark "Brakes Plus" bearing Registration No. 1798186 (hereinafter the "Brakes Plus Service Mark"). Brakes Plus claims that it has timely renewed this original registration of the Brakes Plus Service Mark and has never allowed the same to lapse. In its registration, Brakes Plus disclaimed the use of the word "brake" apart from its use in connection with its service mark.

The Parties' Respective Businesses.

12. Both Peveto Companies and Brakes Plus provide brake installation and general automobile repair services. Peveto Companies' market is exclusively located in the State of Texas and has been more or less limited in the past to the geographic areas in and around the San Antonio, San Marcos, New Braunfels, Austin, Houston, and Corpus Christi metropolitan areas. Brakes Plus operated a majority of its locations outside of Texas and has a few locations within the State of Texas. At the time of this filing, Brakes Plus' Texas market generally consisted of locations only in the Dallas / Fort Worth metropolitan area. The logos used by each company are distinct, dissimilar, and cannot be confused with one another. They bear different sizes, lettering, shapes, and colors. The Brakes Plus Service Mark is as follows:



The Brake Check Plus Service Mark is as follows:



Threat of Litigation.

13. On November 21, 2012, Brakes Plus sent a cease and desist letter to Peveto Companies alleging that Peveto Companies use of the Brake Check Plus Service Mark and design infringed upon the Brake Plus Service Mark. Hereinafter that correspondence shall be referred to as the “Brake Plus’ Letter.” In the Brakes Plus’ Letter it “insists that Peveto immediately discontinue its use of Brake Check Plus (and any other mark that may be confusingly similar to the Service Mark [used by Brakes Plus]) with respect to any and all Peveto’s branding and marketing used in connection with its automotive maintenance business.”

14. Brakes Plus also claims Peveto Companies cannot use the Brake Check Plus Service Mark in “logos, signs, store fronts, advertisements, brochures, letterheads, internet information, internet websites, internet advertisement, telephone listings and any other marketing or branding material and/or information used in connection with Peveto Companies’ automobile maintenance business.” Finally, Brakes Plus advised Peveto Companies it would “pursue all available legal remedies, including filing an action alleging, among other things, federal and common law

trademark infringement and unfair competition” if Peveto Companies did not stop using the Brake Check Plus Service Mark.

15. There exists no good faith basis for Brake Plus to allege or threaten that Peveto Companies use of the Brake Check Plus’ Service Mark infringes upon Brake Plus’ Service Mark. Peveto Companies would sustain significant harm and/or damage if it was required to cease and desist from use of the Brake Check Plus’ Service Mark. Such harm and/or damages include, without limitation, the loss of good will associated with the Brake Check Plus’ Service Mark. Peveto Companies has expended a significant amount of time, money, and resources to develop, implement, and acquire good will and secondary meaning associated with the Brake Check Plus’ Service Mark.

16. Based upon Brake Plus’ allegations and threats contained in the November 21, 2012 Letter, Peveto Companies has a reasonable apprehension of litigation. Specifically, and without limitation, Peveto Companies has a reasonable apprehension that Brakes Plus will commence a suit against Peveto Companies for, without limitation, alleged trademark infringement and/or unfair competition. The dispute between Peveto Companies and Brakes Plus is definite and concrete, real and substantial, and taxes the legal relations of parties who have adverse legal interests. This substantial controversy is of sufficient immediacy and reality to warrant the issuance of a declaratory judgment. Accordingly, a real and true case and/or controversy exists under 28 U.S.C. §2201.

CLAIMS AND RELIEF SOUGHT

Infringement/Unfair Competition.

17. Peveto Companies adopts hereto and incorporates herein by reference the allegations and averments set forth above in the preceding paragraphs Nos. 1 through 14 above.

18. Peveto Companies use of the Brake Check Plus Service Mark and design is not likely to cause confusion, cause mistake, or deceive as to the affiliation, connection, or association of Peveto Companies with Brakes Plus or any other person, or as to the origin, sponsorship, or approval of Peveto Companies goods and services by Brakes Plus or any other person or entity.

19. Accordingly, Peveto Companies is entitled to a declaratory judgment that the use of the Brake Check Plus Service Mark and design does not violate Section 32 or Section 43(a) of the Lanham Act, or constitute unfair competition or trademark infringement under the common law of any state in the United States.

Counterfeit/Imitation

20. Peveto Companies adopts hereto and incorporates here by reference as if fully set forth at length the allegations and averments set forth above in the preceding paragraphs 1 through 15 above.

21. Peveto Companies' use of the Brake Check Plus Service Mark and design is not a reproduction, copy, counterfeit, or culpable imitation of Brake Plus' Service Mark under the Lanham Act, 15 U.S.C. §1051 *et seq.*

22. Accordingly, Peveto Companies is entitled to a declaratory judgment that its Brake Check Plus Service Mark and design is not a reproduction, copy, counterfeit, or culpable imitation of Brake Plus' Service Mark under the Lanham Act, 15 U.S.C. §1051 *et seq.*

PRAYER

WHEREFORE, PREMISES COSIDERD, Peveto Companies, Ltd. requests the following relief:

- (a) that this Court enter a judgment declaring that Peveto Companies, Ltd.'s use of its Brake Check Plus Service Mark and design does not violate §32 or §43(a) of the Lanham Act, 15 U.S.C. §§114 or 1125(a), or constitute unfair competition with, or

trademark infringement under the Lanham Act or the common law of, Brake Plus, Inc.'s Brake Plus Service Mark and brand;

- (b) that the Court enter a judgment declaring that Peveto Companies, Ltd.'s use of the Brake Check Plus Service Mark and design is not a reproduction, copy, counterfeit, or culpable imitation of Brake Plus, Inc.'s Brake Plus Service Mark under the Lanham Act, 15 U.S.C. §1051 *et seq.*; and
- (c) that this Court grant Peveto Companies, Ltd. all other and further relief, either general or special, in law, or in equity, to which it may show itself justly entitled.

DEMAND FOR A JURY TRIAL

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Peveto Companies, LTD. hereby demands trial by jury as to all issues so triable in this action.

Respectfully submitted,

WOJCIECHOWSKI & ASSOCIATES, P.C.

/s/ Marc J. Wojciechowski

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